16JK-11- 534

AH

Chief of Station Harlaruhe, Germany

29 July 1948

## Willy LAcua

1. Willy Ladux, former unief of the S.S. Kirkenes, who has recently been sequitted of all war orines charges in Morway, returned to his home at Hansestrass 134, Labeck (British Zone of Germany) on 22 June 1948. Sefore leaving velo. Subject contacted [ I through the Korwegian intelligence service, and offered to turn over all or his contacts and former agents in Scondinavia, particularly Finland. Subject stated that he would never again professionally ongage in intelligence work, but that he had been active in fighting Communism for over 20 years and did not wish to retire from this field without plasing the fruits of his work at the disposal of those who were still carrying on the right. His proposal was that he should turn over all of his contacts and assist in their handling as long as his help was considered useful. As compansation he requested only bare living expenses since he is completely without funds. its also stipulated that he would require our undertaking that the safety of none of his contacts would be jeopardized in any way except as unavoidable in the course of performing their essential intelligence-gathering functions, and that his mame should not appear in connection with intelligence reports or other documents except where essential to the re-establishment of contuct with these I is convinced that Subject's morivation is individuals. \ C points out that, although the matter has not been mentioned, es statud. C the only personal benefit which subject might expect to derive from such an arrangement is the possibility that he might thus escape de-Masification procoodings against him, if that question should wrise.

2. A Hornegian interrogation report of April 1846 offers the opinion that Subject is ept to exagrerate his own importance and to go to any lengths to advance his own ends. It is not an accurate evaluation of his integrity or subject and feels that this is not an accurate evaluation of his integrity or abilities, a view concurred in by the British and F.O. 2 who both consider Subject the best German expert on Boundinevian C.E. Subject's qualifications in this field are based on work during various periods of 1936, 1938 and 1939 at Staposussenstelle idbeck. Here he was mainly employed in Abt II A (Communion), II P (Poreign Press and Sail) and III (Sounter-Espionage), his fluency in all Scandinavian languages making him particularly useful in this last-maned department. After the Finnish capitulation in 1944, Subject was dispatched to Finland

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where he was engaged in interviewing all Finns who had voluntarily surrendered to the Jermans and in sending to Oslo those who could be used by the Germans. From December 1944 until the end of the war Subject was active in building up a Finland Referat in Oslo, and in attempting to establish communication with Finland and the Finnish Resistance Movement by sending suitable agents into that country.

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- 3. In his service with German Intelligence, Subject claims to have been in contact with such individuals as Oberstleutnant LIEBIG, former Ic at ACK: Major HAACKE who succeeded LIEBIG; Oberstleutnant WARZECHA, chief of the Geheims Feldpolise; Kory Kapt. CELLARIUS, ranking Abwehr officer in Finand; Major WACHER; and Hauptmann PETERS who allegedly recruited reliable Russian and Finnish volunteers and organized them for work as FAK behind the Russian
- 4. Following is a list of the more important contacts which Subject has so far disclosed of the group which he states he can place at our disposal:
  - a. KÜRYE,- Danish, radio technician, radio operator for Subject in Helsinki in 1942. Arrested in Helsinki in 1945 by Finnish State Police. Escaped after a few weeks in prison. Uncle lives in Oslo.
  - b. Max OIASTI Finnish State Police. Strong anti-Communist. Worked for Subject while he was at Rovaniemi.
  - TALLAS Former Finnish Minister at Rome. Now stated to be in Stockholm.
  - d. PIPPING Held rank in Finnish Army during war, stated to be the equivalent of our Judge Advocate General.

    A Swedo-Finn who is very anti-Pinnish (According to Subject there is some sort of Swedo-Finnish nationalist or separatist group in Finland, of which PIPPING is a leader). Has very extensive connections in political circles on a high level.
  - e. RAILIO, Penti Was a Captain in the Swedish communications corps (this is probably an error for Finnish communications). Was sent to Stockholm by Subject in March or April 1945 for CE work.
  - f. VARANIEMI, Kaukko Captain in Firmish Army. Also his father of the same name, who is the oustoms officer at Ovretornic. Close friend of Subject and worked for him during the war, funishing valuable OB information.